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TAGS: [PGOV](#) [PREL](#) [ECON](#) [PINS](#) [PTER](#) [ID](#)
SUBJECT: AMBASSADOR'S FAREWELL CALL ON PRESIDENT YUDHOYONO

REF: A. JAKARTA 10310
[1](#)B. JAKARTA 10281
[1](#)C. JAKARTA 9800
[1](#)D. JAKARTA 9750

Classified By: Ambassador Ralph L. Boyce, reason 1.5 (b) and (d).

Summary

[1](#)1. (C) The Ambassador paid a farewell call on President Yudhoyono Oct. 21. Yudhoyono painted a broad picture of needing to convince the Indonesian people on the importance of international cooperation and friendship as well as showing foreign friends that Indonesia is on the right path. SBY said he sought cabinet members who would implement his overall goals, but conceded that his choices reflect concessions to his political partners. He will lay out his policy goals at a Oct. 22 cabinet meeting. On the Newmont case, SBY said he would meet with the Police Chief Oct. 22, emphasizing that neither the Ministry of Environment nor the WHO have detected the alleged pollution. He would look into the Exxon-Mobil investment proposal in Cepu. Negotiations with GAM leaders in Aceh have started and SBY is prepared to make concessions. He views GAM leaders in Sweden as more obstructionist and may ask us for assistance in the future in speaking to the Swedes. The GOI would watch Abu Jibril after he is released. He reiterated his desire to meet President Bush in Santiago, and asked that we facilitate a congratulatory call to the U.S. election winner. He agreed to facilitate early receipt of credentials for incoming Ambassador Pascoe. End Summary.

[1](#)2. (C) The Ambassador paid a farewell call on President Susilo Bambang Yudhoyono (SBY) October 21 at the Istana Palace. Already signaling change, SBY held the meeting in a newly restored building that once held President Sukarno's Office. The principle structure on the palace compound will now only be used for ceremonial events. Unlike former President Megawati, SBY was accompanied by a notetaker, Dino Djalal, currently Director for North and Central American Affairs in the MFA, but who will clearly receive a position close to the new President. After opening pleasantries, a serene SBY touched on some of his priorities.

The Overall Challenge

[1](#)3. (C) Characterizing himself as someone who has learned much in the last few years, SBY described the ongoing transition in Indonesia as one of continuing to pursue ambitious reforms combined with the need to confront transnational issues such as terrorism. Communicating this historic dynamic both within the government and to the people will be important. Indonesia needs to recognize more fully that international friendship is needed, and

that in an era of globalization, international cooperation is part of the solution to national problems. The Indonesian people need to be convinced of this as well. Simultaneously, Indonesia's foreign friends will have to see that the country is in fact making correct policy choices.

Choosing the Cabinet

¶4. (C) SBY said he approached his cabinet choices, sworn in earlier that day (septel), with specific criteria in mind. He interviewed them individually and laid out for each of them SBY's view of Indonesia's development over the next five years. "Frankly," SBY said, he made concessions and compromises as parties in coalition with his own Democratic Party put forward candidates. He described half the new cabinet as non-political people whom he chose freely.

¶5. (C) At the first Cabinet meeting to be held on Oct. 22, SBY said that he will establish the roadmap for the new government and lay down the rules of the game for all the ministers. He will want all of them on board with his leadership and said they will journey together based on common views. While he made concessions in his choices, SBY said he would not allow anyone to highjack his freedom, and that he made his own decisions. He will appoint a new military commander and police chief at a later stage.

¶6. (C) He acknowledged that the strength of his popular mandate would help him deal with "conflicts of interest" and would help him move his policies and strategies forward. Smiling at a comment by the Ambassador expressing surprise that the People's Consultative Assembly (MPR) did not permit SBY to speak at the swearing in ceremony (ref. A), SBY replied that he had a very good conversation with MPR Chairman Hidayat Nur Wahid encouraging him to be open to establishing new traditions.

Encouraging Foreign Investors

¶7. (C) The Ambassador reaffirmed our hope that SBY would find a means to provide a positive signal to international investors. He cited the proposed Exxon-Mobil investment of 2.3 billion dollars at Cepu as an example of a job-creating project that could move forward quickly. He also cited the problems that Newmont is having with pollution allegations. SBY responded that he would call in the Chief of Police Oct. 22 to discuss Newmont, noting in particular that neither the Ministry of Environment nor the WHO had found the alleged levels of pollution. He wants the police to have a "complete picture" of the situation. Previous objections by former Minister of National Development Planning Kwik to the Exxon-Mobil project may have been tied to irrelevant nationalistic feelings, SBY suggested. He promised to follow-up.

Aceh Discussions have Started

¶8. (C) Communications with the GAM are under way. SBY has dispatched a small team to hold conversations with Muzakir Manaf, Commander of GAM forces in Aceh. SBY suggested that a solution could possibly be found within three months. He would make economic, social and political concessions and that maybe amnesty would be granted to those who chose to voluntarily rejoin "their brothers." In response to the Ambassador's comments that GAM leaders in Indonesia seem more flexible than those based in Stockholm, SBY agreed, saying that the discussions are with leaders on the ground. Acknowledging the offer for the U.S. to be helpful in the process, SBY said that at some point he may ask the U.S. to talk to the Swedish government about helping to "disconnect" the GAM leadership in Stockholm.

Abu Jibril

¶9. (C) The Ambassador asked SBY to ensure that JI recruiter Abu Jibril, scheduled to be released from prison Oct. 27 (ref. B), be closely watched by the security authorities. SBY responded that he would so ensure. He added that he is looking into creating a task force responsible for monitoring dangerous individuals such as Jibril. He said the idea is on his agenda to raise with the police chief the next day.

Hopes to Meet POTUS in Santiago/Congratulate U.S. Election Winner

¶10. (C) SBY asked for assistance insuring that he could meet with President Bush at the APEC Summit in Santiago. He asked that we facilitate a congratulatory call to the winner of the U.S. Presidential elections, something he described as important since he had been congratulated after his own victory. He expressed full understanding that we could not send a delegation to his inauguration at the last minute. SBY mentioned he has had good conversations with the Thai and Malaysian Prime Ministers. Other ASEAN nations want Indonesia to be more active in the organization. Apart from the APEC and ASEAN summits, he will not travel outside of Indonesia during the first hundred days. Expectations from the Indonesian people are very high in the first 100 days, unrealistically so. Laughing, SBY said some think that he is a "superman."

New Ambassador's Credentials

¶11. (C) In closing, SBY agreed to facilitate an early presentation of credentials after Ambassador Pascoe arrives in country.

Comment

¶12. (C) As in previous meeting, SBY had Dino Djalal phone in advance to preview the Ambassador's agenda. Arriving from another location, SBY had a short briefing before the Ambassador was led in. He will certainly be more scripted than his predecessor and be able, at least on paper, have staff follow through more effectively on his commitments. Events over the last 24 hours (see septel on choosing the cabinet) suggest that his natural inclination to consultation and caution will brake his stated aim to bring about important change. As he noted himself, expectations are very high. While he is certainly the most qualified Indonesian president, he will have to establish that he is truly a leader. End comment

BOYCE